

NOTICE OF PUBLIC HEARING

MASSACHUSETTS DEVELOPMENT FINANCE AGENCY

11:00 a.m. on Friday, December 20, 2013 at 99 High Street, Boston, MA

Notice is hereby given that a public hearing will be conducted by the Massachusetts Development Finance Agency ("MassDevelopment") at 11:00 a.m. on Friday, December 20, 2013, at its offices located at 99 High Street, Boston, Massachusetts, with respect to the proposed issuance by MassDevelopment, acting under and pursuant to Massachusetts General Laws, Chapters 23G and 40D, as amended, of bonds in the maximum aggregate principal amount of \$14,500,000 (the "Bonds"). The total estimated project costs are \$14,500,000. The Bonds will be issued to provide for the financing or refinancing of, or the reimbursement of funds advanced by Walnut Hill School for the Arts (the "Borrower," which term includes for purposes of this Notice any parent, subsidiary or other affiliate thereof) for a portion of the project costs (including without limitation such financing, refinancing or reimbursement of bond reserves and issuance costs) (the "Project") related to facilities owned and operated or to be owned and operated by the Borrower, which are or will be located at the Borrower's campus (the "Campus") located at 12 Highland Street, Natick, Massachusetts (the "Town"), consisting of approximately 30 acres, including academic buildings, dormitories, administrative buildings, faculty offices and apartments, laboratory and technology facilities, campus center, dining hall, performing arts center, recital hall, music center, visual art center, galleries, dance center, creative writing center, common spaces, athletic and recreational facilities, outdoor areas and related facilities; and at the residence of the Head of School of the Borrower (the "Head's House") located at 24 Highland Street in the Town. The Project consists of the following: (i) the current refunding of the outstanding principal amount of the \$6,260,000 Massachusetts Development Finance Agency Variable Rate Demand Revenue Bond, Walnut Hill School Issue, Series 2002 (the "2002 Bond"); (ii) the current refunding of the outstanding principal amount of the \$6,000,000 Massachusetts Development Finance Agency Variable Rate Demand Revenue Bond, Walnut Hill School Issue, Series 2006 (the "2006 Bond"); and (iii) the swap termination payment in connection with the swap agreement relating to the 2006 Bond. The 2002 Bond was issued for the following purposes: (a) construction of an approximately 17,000 square foot new academic and technology center, including new classrooms, a laboratory, a photography laboratory, a computer center and office space; (b) renovation of existing classrooms; (c) renovation of existing Stowe, Eliot, Highland and Westerly dormitories and conversion of the Stowe dormitory from office space to three dormitory rooms and a two-bedroom dormitory parent apartment; (d) conversion of a faculty apartment to office space to be used by the Admissions Office; (e) acquisition and installation of miscellaneous furniture, fixtures and equipment for the above-referenced facilities; (f) other routine capital expenditures included in the Borrower's capital budget over the three years following the issuance of the 2002 Bond; (g) costs of issuance of the 2002 Bond; and (h) refinancing of a bank loan and a MassDevelopment loan, the proceeds of which were used for the following purposes: (A) installation of fiber optic networking; (B) acquisition of technology equipment; (C) construction of a Computer Assisted Design facility; and (D) construction of the campus center, including open space, a conference room, the school store, the mail center, lockers and office space. The 2006 Bond was issued for the following purposes: (a) renovations and improvements to existing dormitories on the Campus, including the addition of technology infrastructure; (b) improvements to existing

arts centers located on the Campus; (c) refurbishments to the dining hall located on the Campus; (d) design and construction of a new, approximately 40-bed, 21,000 square foot dormitory, which includes approximately three dorm parent apartments, four faculty apartments and a common room, and campus commons with outdoor patio and associated access roadways, to be located on the Campus; (e) acquisition and installation of miscellaneous furniture, fixtures and equipment for the above-referenced buildings; (f) renovations to the Head's House; (g) other routine capital expenditures included in the Borrower's capital budget over the three years following the issuance of the 2006 Bond; and (h) costs of issuance of the 2006 Bond, including credit enhancement costs.

Interested persons wishing to express their views on such Project and the proposed issuance of revenue bonds to finance and refinance the costs of such Project will be given the opportunity to do so at the public hearing or may, prior to the time of the public hearing, submit their views in writing to Massachusetts Development Finance Agency, 99 High Street, Boston, Massachusetts 02110.

The Bonds will not constitute a general obligation of, or a pledge of the faith and credit of MassDevelopment or a general obligation of, or a debt or pledge of the faith and credit of The Commonwealth of Massachusetts.

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